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VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

RE: Application of Duke Energy Progress, LLC for Adjustments in Electric Rate
Schedules and Tariffs and Request for an Accounting Order

Docket No. 2018-318-E

Dear Ms. Boyd:

By this letter, the South Carolina Office of Regulatory Staff (“ORS”) hereby notifies the Public Service Commission of South Carolina (“Commission”) that ORS has reviewed the annual report on quantifiable customers savings and the request of Duke Energy Progress, LLC (“DEP” or “Company”) to terminate further annual reports regarding customer savings related to AMI meter deployment (“Request”). ORS recommends that the Company be required to continue to track quantifiable savings related to AMI meter deployment consistent with Commission Order No. 2019-341.

Overview of Company’s Request

Commission Order No. 2019-341 states “DEP shall provide an annual report to this Commission on quantifiable customer savings related to AMI meter deployment”. DEP estimates the costs it avoided due to remote customer order fulfillment were approximately \$400,000 in 2019 and the costs it avoided due to the ability to read meters remotely totaled approximately \$399,000 in 2019.

In the Request, the Company states that “DEP essentially completed the scope of the AMI deployment in January 2020 and therefore respectfully requests the Commission terminate further annual reports regarding customer savings related to AMI meter deployment.”

ORS Recommendation

Based on its review, ORS believes that the Company did submit an estimate on quantifiable customer savings related to AMI deployment in compliance with Order No. 2019-341. ORS requests that the Commission direct the Company to continue to monitor and track all associated savings based on the newly installed AMI meters, which will be reviewed as part of the Company's next general rate case. This should include but not be limited to all savings associated with customer order fulfillment, remote reading of meters, and outage restoration. ORS also requests that the Commission direct the Company to identify all savings associated with the deployment of the AMI meters. The Company received authorization to record in a deferral the incremental Operations and Maintenance ("O&M") expenses incurred for AMI meters installed after December 31, 2018 in this docket. (See Order No. 2019-454 p.4 ¶¶6; Application p.24 ¶45.) Any incremental O&M savings from AMI meters installed after December 31, 2018 should therefore be offset against the deferral balance in the Company's next general rate case.

Accordingly, ORS opposes the Company's Request to terminate further annual reports regarding customer savings related to AMI meter deployment. As stated above the Company will continue to see savings as a result of the deployment of AMI meters which should continue to be tracked and quantified to the Commission until the Company's next rate proceeding. ORS requests that the Commission direct the Company to continue to file annual reports regarding customer savings related to AMI meter deployment until its next rate proceeding.

Please do not hesitate to contact me should you have any questions.

Sincerely,

s/ Jeff Nelson

Jeffrey M. Nelson

cc: All Parties of Record (via e-mail)
David Butler, Esquire (via e-mail)